

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION**

In re:

Ark Laboratory, LLC,

Debtor.

Case No. 23-43403-mlo

Chapter 11

Hon. Maria L. Oxholm

**STIPULATED ORDER ADJOURNING HEARING ON (I) DEBTOR'S  
MOTION TO APPROVE (1) BIDDING PROCEDURES AND FORM OF  
ASSET PURCHASE AGREEMENT RELATING TO THE SALE OF  
SUBSTANTIALLY ALL OF THE DEBTOR'S ASSETS; (2) THE SALE OF  
SUBSTANTIALLY ALL OF THE DEBTOR'S ASSETS FREE AND CLEAR  
OF LIENS, CLAIMS, INTERESTS AND ENCUMBRANCES PURSUANT  
TO 11 U.S.C. §§ 105(A) AND 363; ASSUMPTION AND ASSIGNMENT OF  
EXECUTORY CONTRACTS AND UNEXPIRED LEASES PURSUANT TO  
11 U.S.C. §365; AND (4) GRANTING RELATED RELIEF [ECF NO. 145] (II)  
MOTION TO ASSUME EXECUTORY CONTRACTS AND UNEXPIRED  
LEASES [ECF NO. 153], (III) DEBTOR'S MOTION TO REJECT  
EXECUTORY CONTRACTS AND UNEXPIRED LEASES  
SOLELY AS TO MCLAREN MEDICAL LABORATORY [ECF NO. 154],  
AND (IV) PROVIDING RELATED RELIEF**

The Debtor,<sup>1</sup> the U.S. Trustee, the Committee, Auxo, McLaren, Medical Real Estate and Orchard, having stipulated to the entry of this order and the Court being fully advised in the premises;

IT IS ORDERED THAT:

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<sup>1</sup> All capitalized terms shall have the meanings ascribed to them in the Stipulation unless stated to the contrary herein.

1. The hearing on the Sale Motion [ECF No. 145], the Assumption Motion [ECF No. 153], and the Rejection Motion and McLaren's objection thereto [ECF Nos. 154, 165 and 171] shall be adjourned from August 3, 2023 at 11:00 a.m. to August 24, 2023 at 11:00 a.m. to allow the parties time to resolve the formal and informal objections filed to the Motions.

2. The deadline for the Debtor, the U.S. Trustee, Auxo and the Committee to object to or to reply to, as applicable, to the Sale Motion [ECF No. 145], the Assumption Motion [ECF No. 153], McLaren's objection to the Sale Motion and the Rejection Motion [ECF Nos. 165 and 171] and to Medical Real Estate's and Orchard's objections to the Assumption Motion [ECF Nos. 156 and 160] shall be extended to be no later than 48 hours prior to the new adjourned hearing on the Motions.

3. The objections of Medical Real Estate and Orchard to the Assumption Motion [ECF Nos. 156 and 160] are hereby preserved to the adjourned sale hearing.

4. Auxo shall fund all unpaid budgeted expenses, from the petition date, including during the interim period between August 3, 2023 and August 25, 2023 (the "Interim Period") pursuant to the terms of a budget to be agreed upon and approved by Auxo, the Debtor, the Committee and McLaren no later than August 4, 2023 (the "Interim Budget") and filed with the Court. At a minimum, the Interim

Budget shall expressly provide for and fund the fees of the U.S. Trustee, payroll and taxes incurred by the Debtor during the Interim Period, the Professional Fee Carve Out, August rent due to Medical Real Estate, and all administrative fees to be incurred and provided for in the Interim Budget for the Interim Period; provided, however, such being without prejudice to the Committee, the Debtor, the U.S. Trustee or any party in interest raising issues with respect to the failure of Auxo to previously fund, or the Debtor's failure to pay, certain budgeted expenses prior to the Interim Period, all of which objections are expressly preserved. Entry of this Order does not limit the obligations of any party under the Final Cash Collateral Order, including but not limited to paragraph 16 of ECF No. 144.

5. Debtor shall not incur obligations for any expenses during the Interim Period that are not expressly provided for in the Interim Budget.

6. Debtor shall provide a weekly reconciliation of actual to budgeted revenues and expenses to the U.S. Trustee, Auxo, McLaren, and the Committee by Monday at 5:00 p.m. (Eastern Prevailing Time) for operations conducted during the immediately preceding week.

7. The objections of McLaren to the Sale Motion and Rejection Motion [ECF Nos. 154, 165 and 171] shall be preserved solely as to McLaren and no other party.

8. The executory contracts which were the subject of the Rejection Motion with the following counter-parties are rejected as of the date of entry of this Order:

- a. Bio-Rad
- b. Data Innovations, LLC
- c. Leasing Associates of Barrington, Inc.
- d. CoreBioLabs
- e. iOpen
- f. Iron Mountain
- g. LabPath Consulting
- h. Solaris
- i. UPS

9. The following executory contracts which were the subject of the Rejection Motion shall be rejected as of the date of closing on the sale contemplated by the Sale Motion:

- a. The Sports Marketing Agency
- b. Cintas
- c. Cintas Fire Protection Services
- d. Clarity X
- e. Great Lakes Express Delivery LLC
- f. iCare
- g. Stericycle
- h. Superior Medical Waste Disposal LLC
- i. LabCorp

Notwithstanding the review, approval and filing of the Interim Budget by the Committee, Auxo, the U.S. Trustee, the Debtor and McLaren, Auxo shall fund the budgeted expenses for these executory contracts referenced in this paragraph 9 that are to be kept in place until the date of closing on the sale contemplated by the Sale

Motion.

10. All budgeted amounts for the U.S. Trustee's fees for the period from the petition date through the Interim Period shall be adjusted upon request by the U.S. Trustee to ensure that the budgeted amounts will be sufficient in light of the anticipated or actual disbursements made or to be made by or on behalf of the Debtor.

**Signed on August 2, 2023**



**/s/ Maria L. Oxholm**

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**Maria L. Oxholm**  
**United States Bankruptcy Judge**